

## **Renegotiation of Montana's Literacy/Numeracy Gain Performance Level**

Montana is having some difficulty in capturing positive performance results for the Literacy and Numeracy Gains measure. At this time, our PY 2007 performance for this measure will probably be below negotiated levels. We would like to renegotiate our PY 2008 achievement level for this measure based on the information below.

We found during PY 2007 that Montana's performance rates for the Literacy/Numeracy measure started to show a downward trend. We feel that this is due to several unanticipated circumstances, as outlined below.

### **Original Literacy/Numeracy Gains Negotiation**

Montana negotiated performance levels for the Literacy/Numeracy measure for PY 2007 and PY 2008 in May 2007 when we became a "Common Measures" waiver state. When negotiations were conducted, we did not have the benefit of final PY 2006 results on which to base a realistic negotiated performance level. We had no basis to determine an appropriate level of performance for this measure. At the time of negotiation, we felt that the negotiated rates were high for both PY 2007 and PY 2008.

We have since identified errors in our management information system (MIS) that impact this measure. The educational functioning levels being reported for gains/losses between pre-tests and post-tests were not correct. We also found that pre-test and post-test data for reading was not being reported in the correct fields for our reporting software, thus was being excluded from performance. We realized there was a problem with the results for this measure when we started reporting PY 2007 quarterly data. The problems were not identified until we started working on PY 2007 Third Quarter submittals, but all submitted data for this measure, including PY 2006 data, was affected by these problems. We identified the problems and made appropriate changes to our MIS to reflect the correct educational functioning levels and place reading test data in the correct fields.

The following chart shows Montana's PY 2006 reported performance for this measure.

<b>Montana Literacy/Numeracy Gains Levels PY 2006</b>			
	<b>Current Qtr</b>	<b>4-Qtr Cumulative</b>	
<b>PY06 1st Qtr</b>	0.0	0.0	
Num/Den	0/1	0/1	
<b>PY06 2nd Qtr</b>	0.0	0.0	
Num/Den	0/1	0/1	
<b>PY06 3rd Qtr</b>	0.0	0.0	
Num/Den	0/4	0/5	
<b>PY06 4th Qtr</b>	28.6	23.1	
Num/Den	2/7	3/13	
<b>PY06 Annual</b>	30.8		
Num/Den	4/13		

## **Database Conversion**

In October 2007, we converted our MIS to a new system called MontanaWorks. We started reporting from the new system in PY 2007 Second Quarter. During PY 2007 Third Quarter, we discovered some problems in our MIS database. We found that the educational functioning levels for gains/losses between pre-tests and post-tests were incorrect. We also found that pre-test and post-test data for reading was not being reported in the correct fields for our reporting software, thus was being excluded from performance. We then determined that we had been reporting incorrect results for this measure in the past. We are concerned about accuracy of previous submittals for this measure and are aware that they were not correct. The problems have been identified and were fixed as of PY 2007 Third Quarter. We are confident that Montana's current and future achieved levels will be reported correctly.

The following chart shows Montana's PY 2007 reported performance for this measure through PY 2007 Third Quarter.

<b>Montana Literacy/Numeracy Gains Levels PY 2007</b>			
	<b>Current Qtr</b>	<b>4-Qtr Cumulative</b>	
<b>PY07 1st Qtr</b>	0.0	10.0	
Num/Den	0/9	1/10	
<b>PY07 2nd Qtr</b>	0.0	9.1	
Num/Den	0/16	3/33	
<b>PY07 3rd Qtr</b>	10.0	21.3	
Num/Den	2/20	10/47	

## **Montana Data**

Montana has a fairly low dropout rate compared to the nation. For 2005-2006, Montana's dropout count was 1,824 out of 72,461 students, which equates to a 2.5% dropout rate. There were 184 dropout participants enrolled in the WIA Youth program in PY 2006, which equated to 35.7% of the youth participants in the program.

## **Issues:**

Since July 1, 2006 Montana has registered 88 out of school youth who were basic skills deficient. Of those 88 youth, 37 either dropped out of the program before post-testing was conducted for the Literacy/Numeracy Gains measure, or were not post-tested within a year of their first Youth Service Date. This constitutes 42% of our eligible population for this measure. Many of our providers feel that participants in the Youth program hesitate to continue because they will be required to be tested more than once. Out of school youth do not feel this is necessary, so when they are informed about another test, they disappear and providers are unable to contact them to do post-testing.

Another problem we have recently been made aware of is that some service providers do not understand how this measure works. We have conducted training during the last two

years at conferences designed specifically for service providers. These conferences included four-to-eight hour training sessions about which participants are included in each Common Measure and the operational parameters governing those measures. There seems to be some confusion regarding when post-testing is supposed to take place. Many service providers are not post-testing within a year of the date of first youth service.

We looked at PY 2007 WIA Youth participants who were dropouts and basic skills deficient. The following chart shows the grade the participants dropped out, and whether they achieved positive post-test results.

<b>Montana Literacy/Numeracy Gains/Losses</b>						
	<b># Youth</b>	<b>No Pre-test</b>	<b>Math Gains</b>	<b>Reading Gains</b>	<b>Not Tested in Year</b>	<b>Exited, No Post-test</b>
Dropouts	88	2	11	5	19	18
Grade 7	1	0	0	0	0	1
Grade 8	9	0	2	1	1	2
Grade 9	16	1	4	0	2	3
Grade 10	27	1	4	2	7	4
Grade 11	13	0	1	1	4	4
HS Diploma	20	0	0	1	4	4
GED	2	0	0	0	1	0

### **Steps to Address Issues:**

We created an incentives policy for our youth population in December 2007. We are hoping that use of incentives will encourage participants to complete the program, including completion of post-testing if necessary.

We will work specifically with the Youth service providers to ensure they understand the Literacy/Numeracy measure and the implications of missing post-test data in MontanaWorks. We plan to provide additional training to youth service providers regarding this measure and the areas we are deficient in the near future.

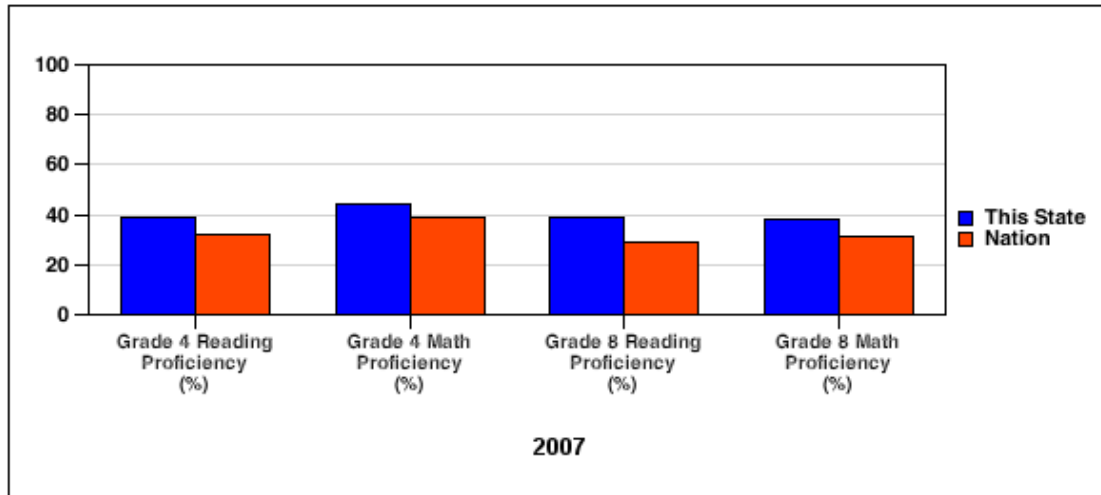
### **Additional Information:**

The 2000 Census data indicated that there were 121,617 Montanans who do not have a high school credential. Of those, there were 46,259 Montanans 16 to 24 years of age who did not have a high school diploma or GED.

Montana grade 8 students perform at about 40% in both reading and math proficiency, according to the National Assessment of Educational Progress (NAEP), as shown in the following chart.

### How Students Performed on National Reading and Math Tests

The National Assessment of Educational Progress (NAEP), also known as "the Nation's Report Card," is the only nationally representative and continuing assessment of what American students know and can do in reading and math. NAEP results are based on a sample of Montana students.



The following information shows the numbers of GEDs attained during the last five years:

- 2003 2,102 GEDs attained
- 2004 2,087 GEDs attained
- 2005 1,962 GEDs attained
- 2006 2,670 GEDs attained
- 2007 2,604 GEDs attained

Montana's future labor force would be strengthened by increasing the number of attained high school credentials (high school diploma or GED). Dropouts have significant barriers to gaining well-paying employment. Montana's unemployment rate for students that dropped out of school and have not completed a high school credential is approximately 10%, compared to approximately 4.5% for those with a high school credential.

### **Region 4 Common Measures States**

Five of the seven Common Measures states in Region 4 as well as our Region 6 neighbor state, Idaho, have a negotiated performance level of 35% or less for this measure. Montana's level for the Literacy/Numeracy Gains for PY 2007 is 50% and 51% for PY 2008. Montana's PY 2007 Third Quarter rate for this measure is considerably below the negotiated performance level.

<b>Common Measures Waiver States Negotiated Performance Levels</b>		
<b>State Name</b>	<b>Region</b>	<b>Youth Literacy and Numeracy Gains</b>
Colorado	4	22.0
Utah	4	27.0
Idaho	6	30.0
Oklahoma	4	31.0
North Dakota	4	35.0
Texas	4	35.0
<b>Montana</b>	<b>4</b>	<b>51.0</b>
Louisiana	4	52.0

#### **Proposed Revised Level of Performance**

Montana would like to propose a Literacy/Numeracy Gains level of 30% for PY 2008. We believe, according to PY 2007 Third Quarter reported performance, that a 30% gain is a performance rate that may be achievable for Montana in PY 2008.